

Campaign 2000 calls for Poverty Reduction Targets with its New Policy Framework

Child poverty is not an insoluble problem. Governments must rearrange priorities and policies that allow for a living standard out of poverty.

By Marvyn Novick

There is abundant research on the destructive effects of poverty yet government actions in Canada to address child poverty have been erratic, with moments of bold sentiment followed by periods of limited initiative. The 1989 all-party commitment in the House of Commons to work for the elimination of child poverty by 2000 was promising, but was not realized, nor were goals and timetables ever proposed.

Campaign 2000 is a cross-Canada public education movement to build Canadian awareness and support for the 1989 all-party House of Commons resolution to end child poverty in Canada by the year 2000. Campaign 2000 is non-partisan in urging all Canadian elected officials to keep their promise to Canada's children.

In its recently released policy paper, called *Summoned to Stewardship: Make Poverty Reduction a Collective Legacy*, Campaign 2000 calls upon the federal government and provinces to adopt targets and timetables for the reduction of child poverty, proposing provincial governments work with federal partners to

realize minimum reductions of 25% in child poverty rates in the province by 2012, and minimum 50% reductions by 2017.

Campaign 2000 and its partners feel that the call for concrete commitment and action to reduce child poverty should be viewed as an overarching non-partisan priority, much in the same way that addressing climate change is now embedded in the political culture of Canada.

The cornerstone target across Canada would be to assure every parent working full time, full year, a living standard out of poverty. This in itself would meet the minimum 25% reduction target since one-third of all children in poverty live in families where a parent has worked full-time, full-year. Decent living standards in 2007 dollars would require total disposable incomes in the following ranges for the following households:

- Single adult - an income over \$15,000 a year (MISWAA, 2006)
- Lone parent, one child - household incomes over \$20,000 a year



- ▶ • Couple, one child - household incomes over \$25,000 a year for additional children in lone Parent and couple families add \$5,100 a year

When the political will exists, countries can reduce poverty levels. The first UNICEF report card on child poverty in OECD countries (2000) demonstrated that countries with the lowest child poverty rates allocated the highest proportion of their wealth to social expenditures even during periods of recession and rising unemployment. Four Nordic countries have the lowest rates of child poverty in the OECD, high levels of taxation as a percentage of GDP, and three of the countries [Finland, Sweden, and Denmark] are ranked among the top five in global competitiveness.

The policy paper outlines Campaign 2000's national policy framework for poverty reduction across Canada. This framework rests on four cornerstone principles:

A. The principle of sustaining employment

An assurance that any parent or adult working full-time, full-year for 30 hours or more a week (1500 hours a year) can have a living standard out of poverty. This also includes providing a full child benefit of \$5,100 a year (2007 dollars) for each child in low income families and work tax credits of \$2,400 a year.

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B. The principle of a basic income system for persons with disabilities

People with disabilities are more likely to live in poverty than other Canadians. Campaign 2000 supports setting disability benefits equal to the social security system for seniors.

C. The principle of transitional support with decency and dignity

The historic tendency to divide people in poverty into “deserving” and “undeserving” is still with us. A poverty reduction strategy must establish just differentials between those with employment incomes and families with children whose parents are unavailable for employment due to temporary or extended difficulties.

D. The principle of available and affordable essential resources in four areas

We should protect family budgets and promote pathways to equal opportunities for all children. It is important to restore access to Employment Insurance (EI) eligibility and protection; provide continued access to prescription drug and dental

benefits; prevent the high costs of housing from draining the food budgets of low income families; and ensure universal access to high quality learning and care for all children during the early years.

The cornerstone target across Canada would be to assure every parent working full-time, full-year a living standard out of poverty. According to Campaign 2000, to achieve this goal would require the following initiatives from the federal government:

- Increase the NCBS to create a full child benefit of \$5,100 (2007 dollars)
- Increase federal work tax credits to \$2,400 a year
- Establish a federal minimum wage of \$10 an hour (2007 dollars)
- Major federal investments in essential resources such as early learning and childcare, social housing, and restoration of Employment Insurance eligibility.
- Provinces would be expected to contribute in the following areas:
 - Raise and index minimum wages to a poverty reduction standard of \$10 an hour (2007 dollars)
 - Invest provincial revenue in affordable housing initiatives
 - Invest provincial revenue in extended drug and dental coverage
 - Invest provincial revenue in early learning and child care

The just differential target across Canada would be to reduce the depth of poverty for families with children on social assistance to at least 80% of the poverty benchmark. To achieve this goal would require the following initiatives in most provinces:

- Families to receive full child benefits of \$5,100 (2007 dollars) without clawbacks and rate reductions in social assistance payments
- Full indexation of social assistance rates in all provinces starting in 2008
- Annual increases to social assistance rates of 3% or more above inflation also starting in 2008

To restore the fiscal capacities of Canadians to invest in our country, all federal savings from lower public debt charges from now to 2012 should be directed towards investments in poverty reduction and other national priorities. Parliament should consider the adoption of a sunset clause for all general tax cuts implemented by the federal government since 2000. ■